



***Armed Services
Strategic Plan
&
Business Case Analysis
“As Is Model”***

Deputy Director



Why a strategic plan?

- ASD(HA) tasked ASBPO to develop plan to deal with vCJD deferral looming over horizon (Mar 01) GOAL – **maintain** contingency/peacetime needs
- Tasking two-fold
 - Short term (3-6 mo) plan of action (POA) to deal w/ vCJD deferral criteria
 - Long term strategic plan for ASBP to meet peacetime/wartime blood needs in efficient, cost effective and regulatory compliant manner
 - Support w/ **POA, milestones, timeline & BCA**



Panel Members

- Tri-Service panel of SMEs met

ARMY	NAVY	AF
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- Conducted two sessions
 - 24-27 Apr 02
 - 21-22 Jun 02



Short Term Recommendations

- DOD implement vCJD deferrals concurrently w/ civilian sector
 - Push for single, nationwide deferral policy
 - Write BPL/SOP mods for early dissemination
 - Update DBSS w/ new donor deferral questions
- Develop major media campaign to inform DOD donor/beneficiary populations of risks
 - Deploy in advance of deferral



Short Term Recommendations

- Make up estimated 25% vCJD donor deferral
 - Obtain donor recruitment resources
 - Eliminate non-productive screening of ineligible donors
 - Minimum of 16 recruiters needed
 - Obtain additional phlebotomy resources
 - Place at select CONUS BDCs at training sites
 - Minimum 10 phlebotomists needed
- ~~Dedicate full time project mgr at ASBPO for short term plan management~~



Short Term Recommendations

- ~~Suspend collections at Lakenheath~~
- Attempt to maintain collections at Landstuhl w/ aggressive recruitment of new arrivals
- Establish intra-theater blood inventory mgt/distro system
- Supplement shortfalls from CONUS



Long Term Recommendations

- Critically review locations of BDCs to focus collection efforts on:
 - New recruits
 - DOD beneficiary populations not stationed in Europe
- Optimize current BDC operations
 - Improve efficiency, cost effectiveness, compliance
 - Goal = 100% self-sufficiency
- Believed best accomplished through
“single, integrated network of major BDCs co-located w/ large eligible DOD donor pops/training sites”



Long Term Recommendations

- Develop dedicated staffing/funding mechanisms
 - Assure adequate resources
 - Eliminate degradation of local MTF lab/pt care missions
- Develop centralized CONUS blood inventory mgt/distro system
- Economize level of efforts of ASBPO & SBPOs
 - Standardize operating procedures
 - Reduce redundancy
 - Eliminate duplication



Long Term Recommendations

- Pursue FDA licensure of all blood products mfg at DOD BDCs
- Pursue 100% Leuko-reduced products
- Implement new technologies as they become available to improve efficiencies/safety; e.g. HBOCs



Long Term Recommendations

- Hire contractor to conduct BCA to validate panel findings and to:
 - Determine optimum number of BDCs & testing centers
 - Determine optimum locations for assets
 - Develop long term strategic plan based upon outcome of BCA
 - Phlebotomist augmentation via contractors
 - Donor Recruiters



BCA Questions

- What is the overall cost of the ASBP?
- What is the cost for each ASBP operational category or element?
- What is the overall cost for each Service?
- What is the cost per full-time equivalent (FTE) for each BDC?
- What is the overall cost per output (i.e., unit of blood) for the ASBP?
- What is the cost per output for each BDC?
- What is the output per FTE for each BDC?
- What is the donor population per FTE for each BDC?
- How do these costs compare to the civilian sector?



FY 02

- Briefed Service Medical Resource Managers and gained \$3M to execute one year contract
 - Chopped \$ to Services for 14 phlebotomists
 - Hired 13 recruiters centrally through contractor
 - Limited short term marketing
 - Initiated BCA to determine costs, fully identify the current condition of the ASBP, and provide recommendations for change
- Personnel hired and the BCA is on-going



BCA Data Call Process

- Built a detailed data call survey in Excel to gather cost, staffing, and operational information for ASBP
 - Iterative process with ASBPO, SBPOs, et al.
- Issued data call to over 150 sites
 - 73 ASBP elements returned data
 - Data substitutions ensured 100% completeness
 - Approved by ASBPO and SBPOs
 - BTCs, TBTCs, AJBPOs, JBPOs, etc.
- Performed the analysis

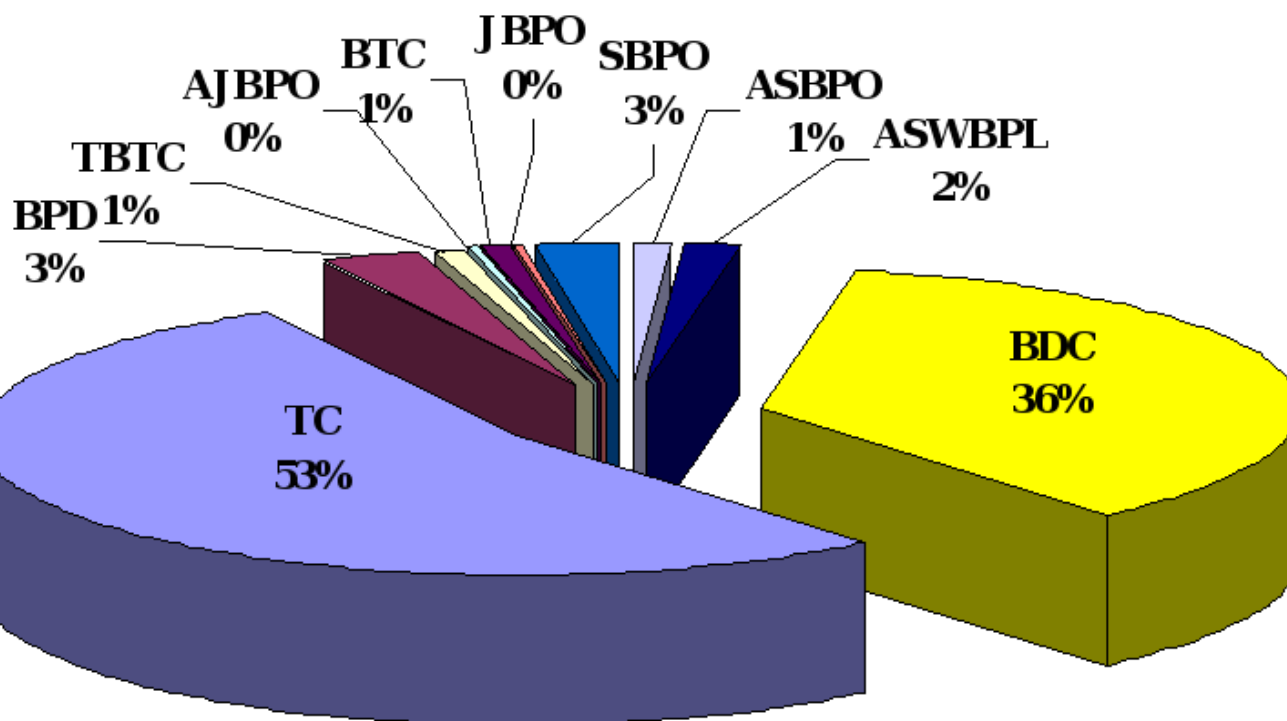


Overall Costs Findings

- **Total ASBP Cost: \$57.0 million**
- *Labor is 80%* of costs & is solidly reported
 - Non-labor costs are more variable
- By Program Element: **Txn 53% ... BDCs, 36%**
- By Service:
 - **USAF, 38%**
 - **Army, 32%**
 - **Navy, 28%**
 - **Joint Activities, 2%**
- FTEs: 960 Actual FTEs (costing, not staffing)

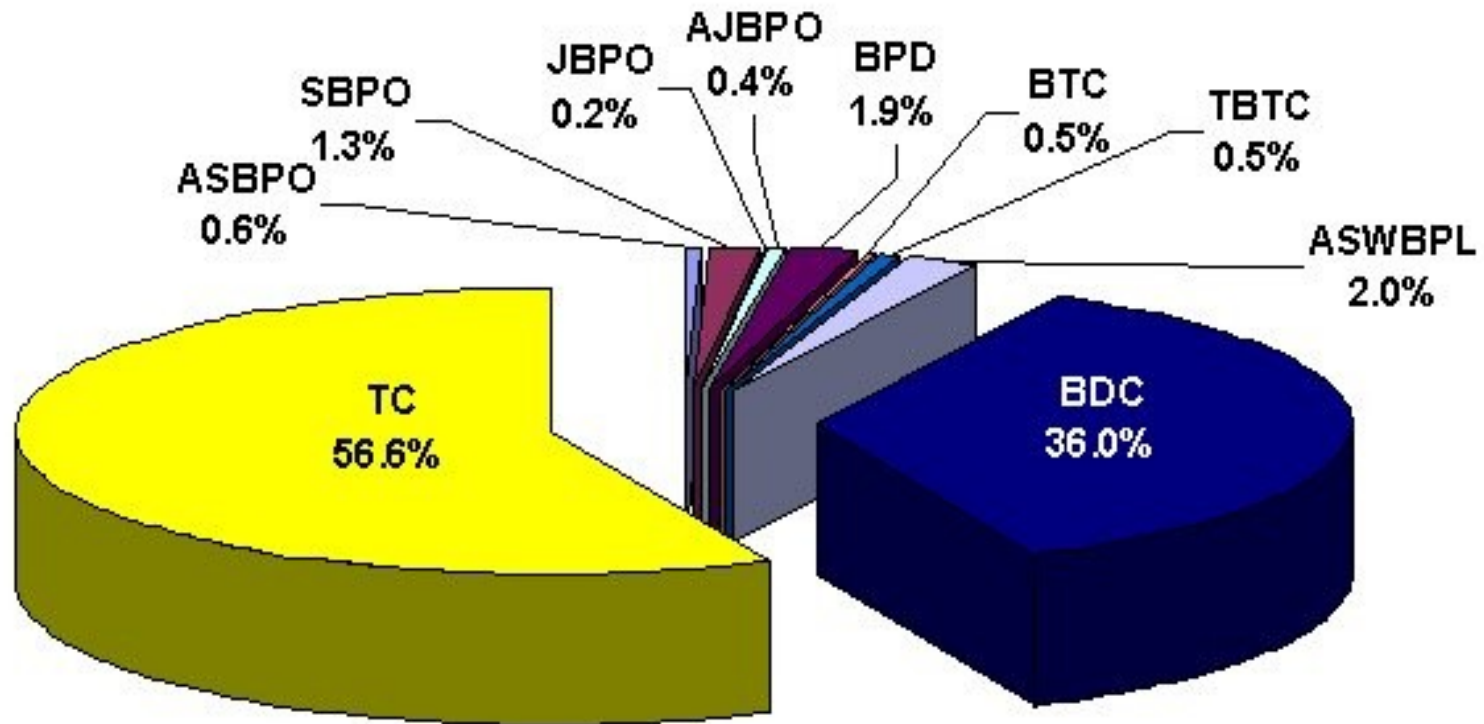


PERCENTAGE OF TOTAL COSTS BY ASBP CATEGORY





FTEs BY ASBP CATEGORY



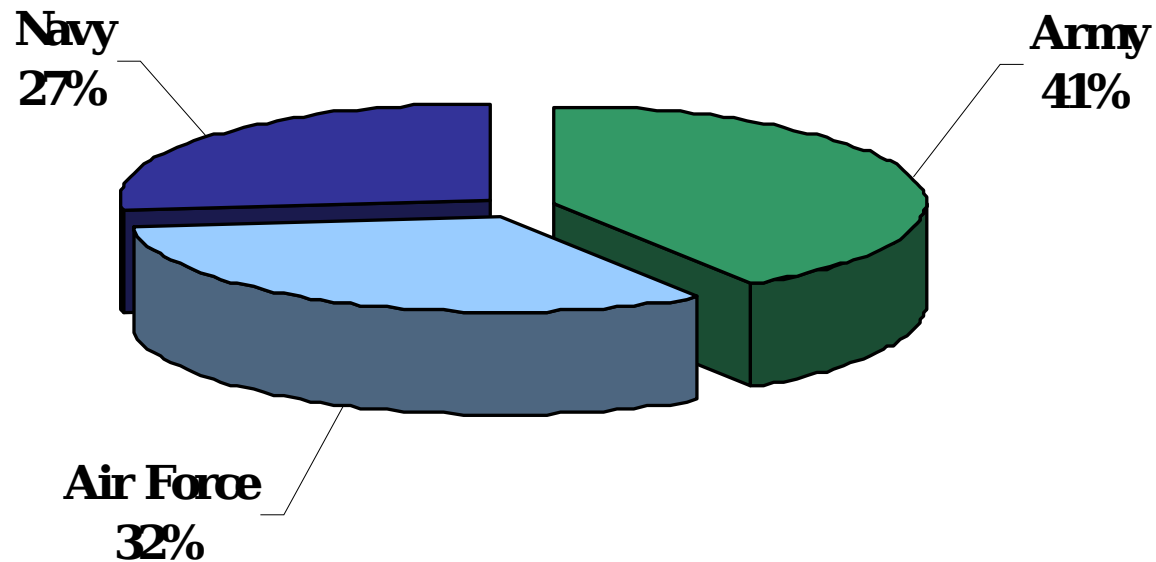


BDC Cost Findings

- Total BDC Costs: \$20.6 M/yr
- Units Collected: 112,507
- 76% cost are for labor
- Service Cost:
 - Army - \$8.3M
 - USAF - \$6.7M
 - Navy, - \$5.7M
- FTE Allocation: Most labor intensive activities were Donor Suitability and Donor Collection

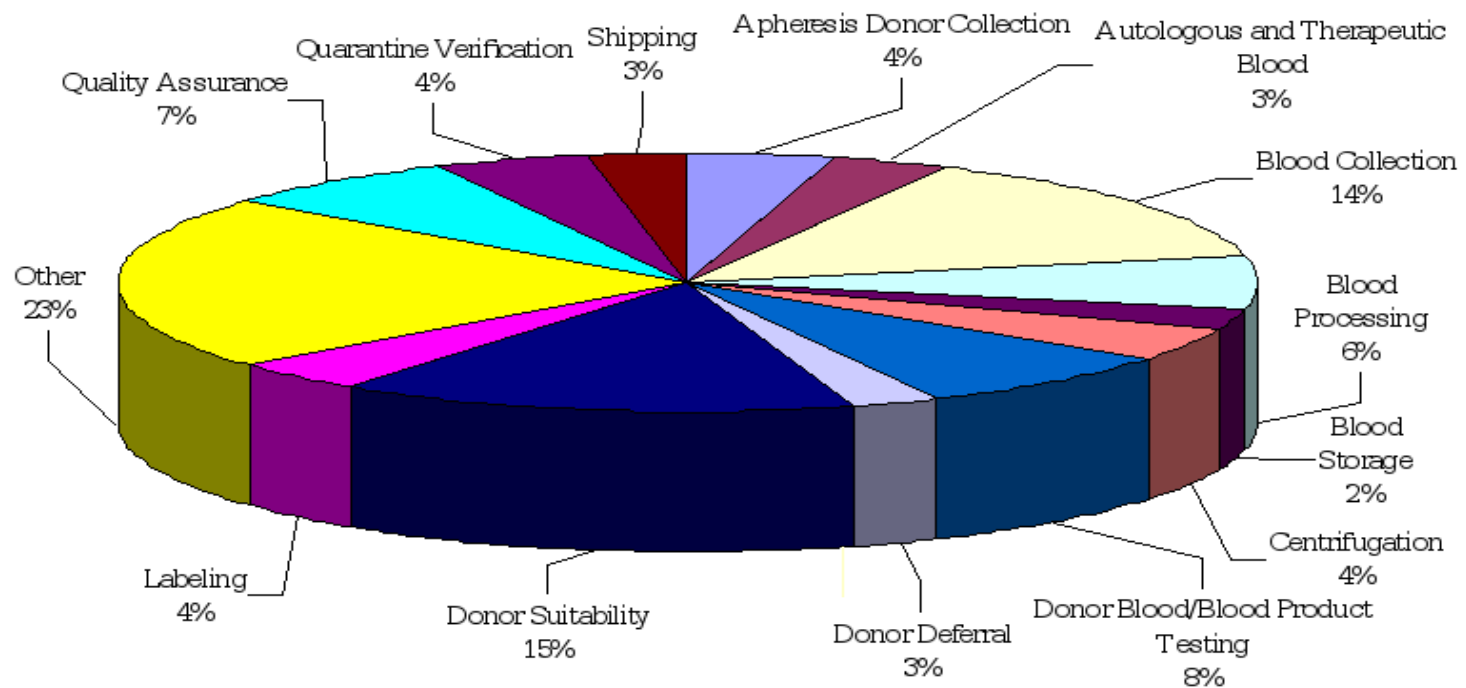


TOTAL BDC SERVICE COSTS





BDC ACTIVITY COSTS





BDC Cost Findings

- **Staffing:** The number of staff at any given site is not strongly tied to the potential number of donors at that site
- **Donor Populations:** Considerable variation across BDC sites exists in the number of staff/potential donor population
- Smaller populations often result in higher costs (per unit, per FTE, etc.), which is unrelated to management of the BDCs
- Relationship of Staffing and Donations: Increased staff size lead to increased donation rates



Per Unit Costs

- ASBPO Per Unit Costs
 - Using BDC operations only: **\$184/donation**
 - Using overall ASBP costs: **\$507/ phlebotomy**
 - ASBP Transfusion Center cost: **\$549/unit**
- Civilian Per Unit Costs
 - Civilian acquisition cost: \$250
 - Civilian transfusion cost: \$500
- Conclusion: ASBP cost per unit is comparable to civilian sector

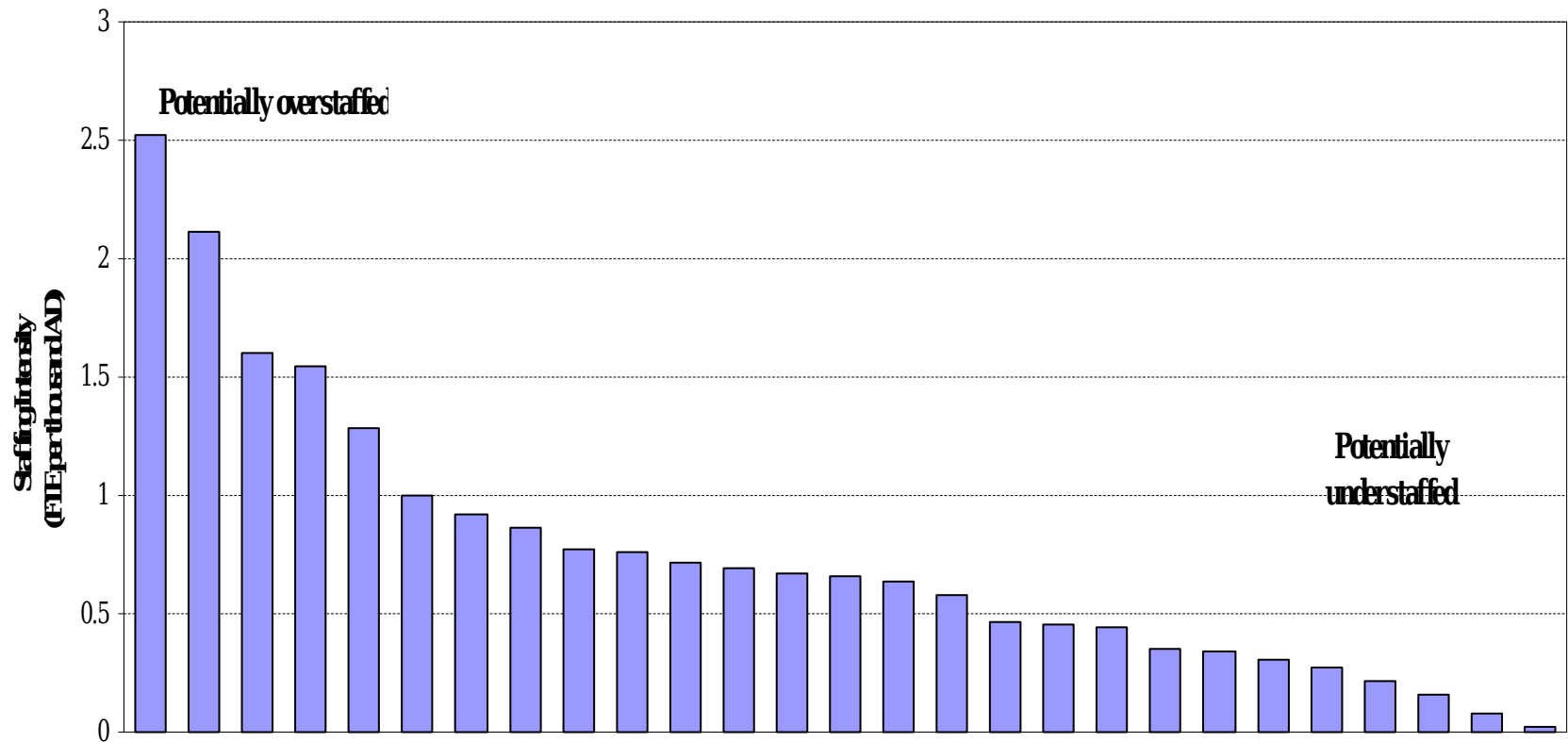


Cost Variation

- BDCs show a great deal of variation in cost per donation
 - Average is \$184 per donation
 - Six sites exceed \$300 per donation
 - Seven sites less than \$150 per donation

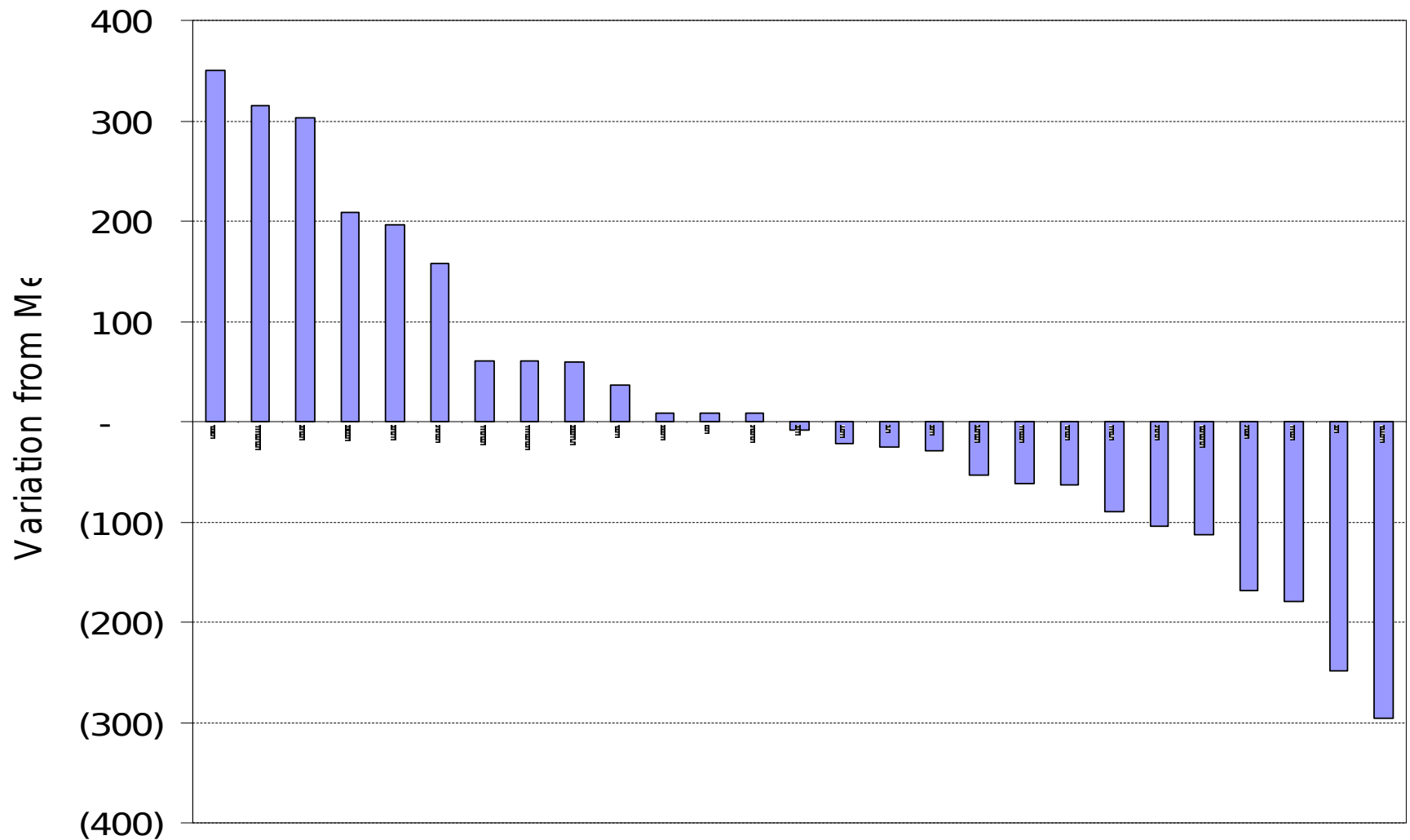


BDC Staffing Intensity



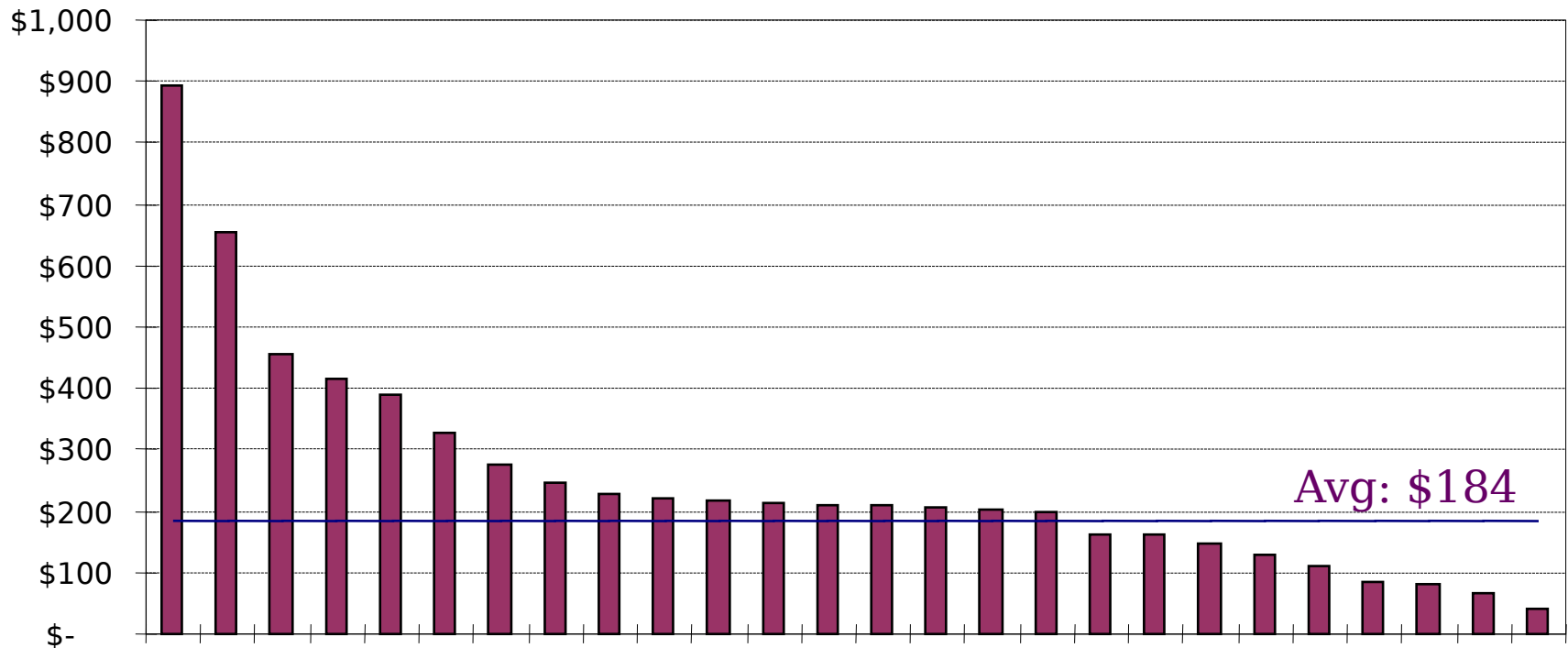


BDC OUTPUT PER FTE





BDC Cost Per Donation





Future

- Currently reviewing “To Be” model along with the SBPOs, and Lab Consultants
- Follow-up with a panel to review and adopt options
 - Surgeons General will be tasked by DASD (FHP&R) to nominate panel members
 - Panel likely to be composed of SBPOs, Lab Consultants, Resource Managers, and/or Readiness Personnel
- Panel recommendations will become next BCA deliverable, Implementation Plan



Future

- Plan to brief “To Be” model at 2003 Annual SAFMLS meeting
- Questions